



Exploration Offshore, L.L.C.

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May 18, 2020

VIA Email and Federal Express #770492025159

Fieldwood Energy Offshore LLC  
2000 West Sam Houston  
Parkway South, Suite 1200  
Houston, Texas 77042

Attention: Mr. John Smith

RE: NOTICE OF DEFAULT

Operating Agreement dated effective December 12, 2002 affecting Green Canyon Block 157 (OCS-G 24154) and Green Canyon Block 201 (OCS-G 12210)

Dear Mr. Smith:

Reference is made for all purposes to that certain Operating Agreement ("OA") effective December 12, 2002, by and between LLOG Exploration Offshore, L.L.C. ("LLOG"), as Operator, and LLOG Energy, L.L.C. and Fieldwood Energy Offshore LLC ("Fieldwood"), as successor to Davis Offshore, L.P., as Non-Operators, affecting all of Green Canyon Block 157 (OCS-G 24154) and certain aliquots and depths of Green Canyon Block 201 (OCS-G 12210). All capitalized terms used but not defined herein shall have the meaning ascribed to them in the OA, which includes all Exhibits, as appropriate.

As of the date of this letter, Fieldwood has failed to pay: (i) Invoice No. 20020100 dated February 28, 2020 in the amount of \$594,057.87 and (ii) Invoice No. 20030087 dated March 31, 2020 in the amount of \$19,401.26, which represents Fieldwood's proportionate share of the Joint Account for the preceding months. Under the express terms of the OA, Fieldwood was required to pay the invoices within fifteen (15) days, yet Fieldwood has still not made payment as of the date of this letter. Thus, pursuant to Section 6.3 of the OA and Section C of Exhibit "I" to the OA (*Security Rights Provisions*), LLOG hereby notifies Fieldwood that it is in default for failure to pay the invoices.

If Fieldwood fails to pay the amount due which is equal to \$549,976.51 [including interest less the credits from (i) Invoice No. 20010092 dated January 31, 2020 in the amount of (\$18.00) and (ii) Invoice No. 20040085 dated April 30, 2020 in the amount of (\$65,467.37)] and owing within thirty (30) days from its receipt of this notice of default, LLOG intends to avail itself of all rights and remedies provided for in the OA, including but not limited to the right to notify the purchaser of Fieldwood's production from the Contract Area and to collect Fieldwood's share of costs and expenses out of the proceeds from the sale of its production. LLOG further reserves all rights at law and under the OA, including but not limited to the right to diligently pursue collection of unpaid costs and expenses, to collect consequential damages as a result of the default, and to exercise the mortgage and security rights granted in the OA.

Please move to expeditiously resolve this default and bring your account current.

Yours very truly,  
LLOG Exploration Offshore, L.L.C.

A handwritten signature in black ink, appearing to read "Josh Graffagnini", with a long horizontal flourish extending to the right.

Josh Graffagnini  
Landman